

Examples: How to Report Facebook Paid Communications

The below examples detail how to:

- **Part 1:** Report a campaign expenditure that purchased a Facebook ad
- **Part 2:** Report a campaign expenditure for the purchase of multiple Facebook ads
- **Part 3:** Report a campaign expenditure to a third-party entity (such as a public relations firm) that manages a campaign's Facebook ad buys

BONUS! There is a Frequently Asked Questions section for further clarification

Quick Review: Disclosure Requirements for all Paid Campaign Communication Expenditures

Every time a candidate spends campaign money on a campaign communication, that communication must be disclosed in a campaign finance report.

Why is this required?

Every Montanan must be able to look at any political ad and be able to easily determine who financed the material while being able to tell it apart from other, similar ads financed by that candidate. As a candidate, you are required to disclose ad expenditure details in campaign finance reports to ensure this transparency.

For a member of the public to identify a paid digital communication purchased by your campaign on your campaign finance report, they must be provided :

1. The platform the communication ran on,
2. The date(s) the communication ran, and
3. The subject matter of the ad.

These information fields are mirrored in CERS expenditure reporting fields (highlighted):

The screenshot shows a web form titled "Report Detail Entry". It contains the following fields and text:

- Entity:** Facebook
1 Facebook Way, Menlo Park, CA 94025
- Election Type:** - Please Select - (dropdown menu)
- Date:** Date (text input with a calendar icon)
- Purpose:** Must disclose: Facebook ad, dates the ad(s) ran, subject matter description/ad
(All expenditures must specifically describe purpose, quantity, and subject matter.)
- Amount:** \$ Amount (text input)
- ☐ Is this an over contribution limit refund?

Part 1: Report a campaign expenditure that purchased a Facebook ad

Example 1: Candidate Harvey Zinn is running for governor of Montana. He paid to run an ad on Facebook.

Here are the ad details:

- The ad ran for the general election.
- He purchased the Facebook ad on October 28, 2019.
- The ad discussed his economic policy and ran from October 29, 2019 through November 5, 2019.
- The Facebook ad cost \$40.

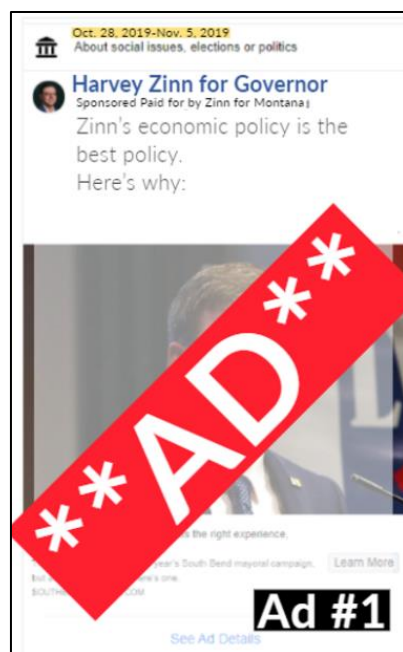


Figure 1 Harvey Zinn's ad in Facebook's ad library

Here's how Zinn must disclose the ad details:

These same detail for the unique Facebook ad must be disclosed in Zinn's campaign finance report as an expenditure. These include:

- **Entity:** Facebook
- **Election type:** General
- **Date of expenditure:** 10/28/2019
- **Purpose:** Facebook ad, economic policy, ran 10/28-11/5/2019
- **Amount:** \$40.00

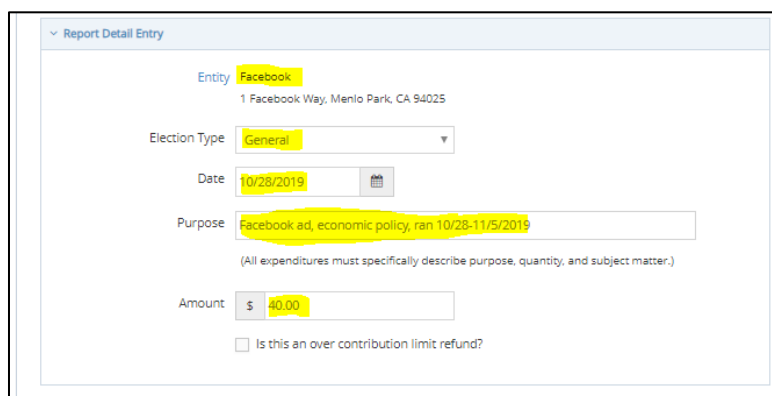


Figure 2 How Zinn will enter the Facebook ad expenditure in CERS

Part 2: Report a campaign expenditure for the purchase of multiple Facebook ads

Example 1: Candidate Harvey Zinn is running for governor of Montana. He made a campaign expenditure to purchase multiple Facebook ads.

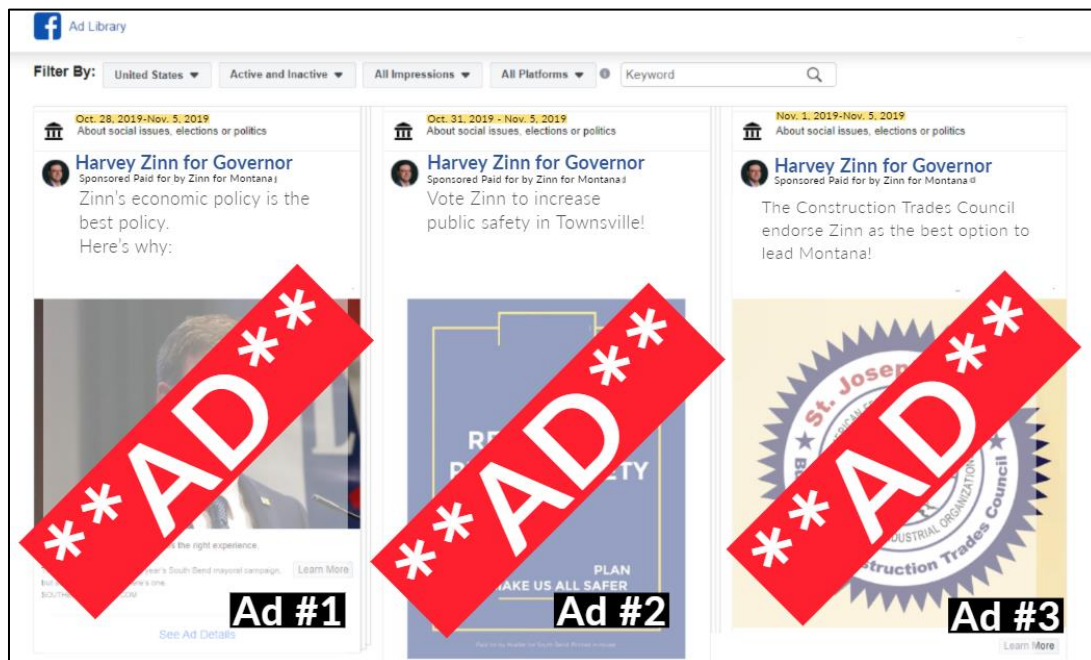


Figure 3 Zinn's three ads in Facebook's ad library

Here are the ad details:

- The ads ran for the general election.
- He purchased three unique Facebook ads, all at the same time and as a single expenditure, on October 27, 2019.
 - o The first ad covered Zinn's economic policy and ran from October 29, 2019 through November 5, 2019.
 - o The second ad covered Zinn's public safety plan and ran from October 31, 2019 through November 5, 2019.
 - o The final ad announced an endorsement from the Construction Trades Council and ran from November 1 through November 5, 2019.
- The expenditure for the three Facebook ads cost \$150.

Here's how Zinn must disclose the ad details:

Zinn's campaign spent \$150 for Facebook to run three ads. When the Zinn campaign reports this expense, it must disclose the same details (entity, election type, date of the expenditure, purpose, and amount) as any other paid communications expense to ensure that each ad is individually identifiable.

There may not be enough space in the "Purpose" field in CERS to detail the dates and subject matter for each individual Facebook ad (CERS has a limit of 150 characters). In that case, the Zinn campaign may note in the "Purpose" field that this information is included in an addendum.

To include an addendum¹ in a campaign finance report, a campaign must:

1. First, note in the "purpose" description in CERS "See addendum."
2. Then, email cppcompliance@mt.gov.
 - a. Email subject: Identify that you are sending an addendum and the C-5 report it accompanies: *Addendum for Harvey Zinn's C-5 campaign finance report (covering 10/1/2019-12/31/2019), \$150 Facebook expenditure*
 - b. In the email, identify the line item that the addendum links to: *\$150 Facebook expenditure (10/27/19)*
 - c. Include the missing information in the email body or as an attachment.
3. The COPP will upload the addendum's information to the CERS database.

Report the Facebook expenditure in CERS:

- **Entity:** Facebook
- **Election type:** General
- **Date of expenditure:** 10/27/2019
- **Purpose:** See addendum: three Facebook ads
- **Amount:** \$150.00

Figure 4 How Zinn will enter the expense for the three Facebook ads in CERS

Disclose the individual ad details as an addendum (emailed to cppcompliance@mt.gov)

- Email to: cppcompliance@mt.gov
- Email from: treasurer@zinnformt.com
- Subject line: Addendum for Harvey Zinn's C-5 campaign finance report (covering 10/1/2019-12/31/2019), \$150 Facebook expenditure

Addendum for Harvey Zinn's C-5 campaign finance report (covering 10/1/2019-12/31/2019) for \$150 Facebook ad buy on 10/27/19

Facebook individual ad details:

	Subject matter	Dates ran
Ad 1	Economic policy	Oct. 29-Nov. 5, 2019
Ad 2	Public safety plan	Oct. 31-Nov. 5, 2019
Ad 3	Construction Trades Council Endorsement	Nov. 1-Nov. 5, 2019

¹ An addendum is the same thing as an attachment. It can also reference several line item details from a campaign finance report. The addendum must identify the specific line item (e.g. expenditure) it references.

Part 3: Report a campaign expenditure to a third party (such as a public relations firm) that manages a campaign's Facebook ad buys

If the Zinn campaign pays a third-party entity (such as a public relations or marketing firm) to manage its Facebook ad buys, all reporting and disclosure requirements for a paid communication remain the same. Any campaign advertisements purchased through a third-party vendor must still be individually identifiable on the candidate's campaign financial reports.

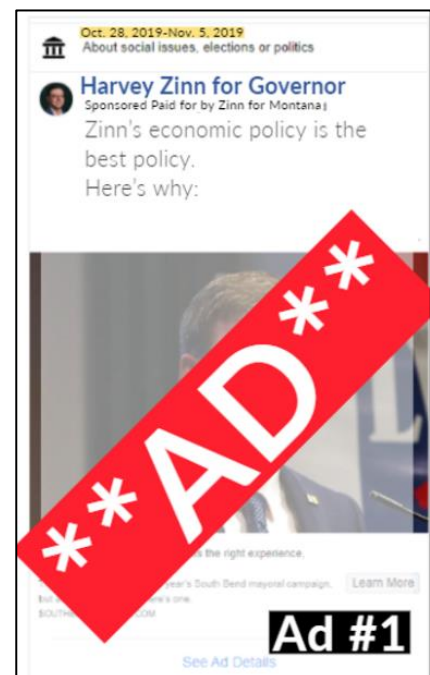
The **only** change from the examples given in Part 1 and Part 2 is that the "entity" for the expenditure will change from "Facebook" to the third party vendor.

For example, if ABC Strategies and Media purchased the below unique ad, the expenditure would be reported as:

The screenshot shows a 'Report Detail Entry' form with the following fields:

- Entity:** ABC Strategies and Media (with address 12 Main Street Billings, MT 59101 highlighted in yellow)
- Election Type:** General (selected from a dropdown)
- Date:** 10/28/2019
- Purpose:** Facebook ad, economic policy, ran 10/28-11/5/2019
- Amount:** \$ 40.00
- ☐ Is this an over contribution limit refund?

- **Entity:** ABC Strategies and Media
- **Election type:** General
- **Date of expenditure:** 10/28/2019
- **Purpose:** Facebook ad, economic policy, ran 10/28-11/5/2019
- **Amount:** \$40.00

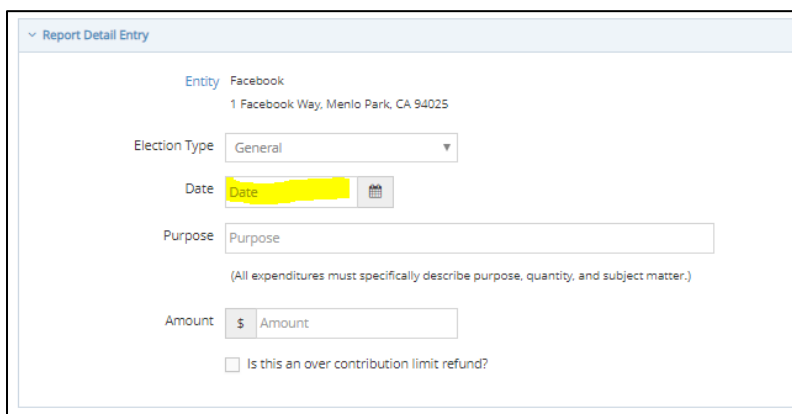


Frequently Asked Questions

Q: In CERS, what “date” goes in the “date” field?

A: “Date” represents the date the expenditure was incurred to the individual, business, or other entity. This date must be reflected by your campaign bank account and must be “findable” if an audit occurs. Candidates should always remember that any campaign expenditure activity—including social media advertisements—must be reported using the date the expense was incurred, not the date an invoice was received or the campaign was otherwise billed.

If the exact cost of the activity is not known at that time, candidates must still report the expense but may provide a best guess estimate.



Q: My campaign paid for 12 Facebook ads. Do I need to report these ads individually?

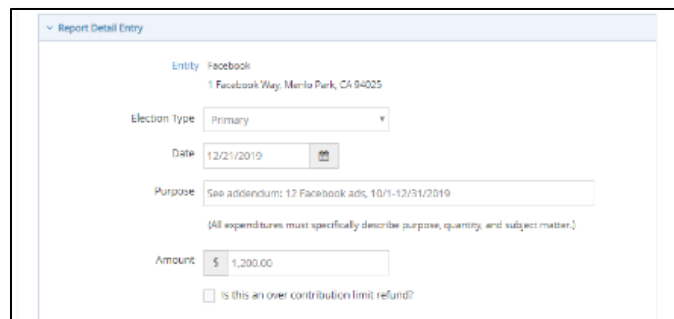
A: It depends. While a candidate may always report each unique advertisement as a standalone expenditure in CERS (see Zinn’s Example 1, page 2), they may also report all paid communications purchased from a single vendor as one expenditure detailed by an addendum (see Zinn’s Example 2, pages 3-4).

Note that each vendor would require its own expenditure entry and individualized addendum so that the specific ads or activities involved can be easily identified.

In the example below, when a candidate discloses 12 Facebook ads as an expenditure for the reporting period of October 1, 2019 through December 31, 2019, they could report their Facebook expenses for this reporting period as a batch total, with reference to an addendum.

How would this be reported? If the candidate spent \$1,200 on 12 Facebook ads, the campaign will disclose this information in CERS and include an addendum:

1. Report the expenditure in CERS:
 - **Entity:** Facebook
 - **Date:** 12/21/2019
 - **Purpose:** See addendum: 12 Facebook ads, 10/1-12/31/2019
 - **Amount:** \$1,200



2. Email the Office of Political Practices an addendum with the required Facebook ad details

- Email to: cppcompliance@mt.gov
 - Email from: treasurer@candidateformt.com
 - Subject line: Addendum for Candidate Name's C-5 campaign finance report (covering 10/1/2019-12/31/2019), \$1,200 Facebook expenditure
-

Addendum for C-5 campaign finance report (covering 10/1/2019-12/31/2019) for \$1200 Facebook ad buy.

Candidate's Facebook ads from 10/1-12/31/2019		
	Subject matter	Dates ran
Ad 1	Candidate biographical video x 2	10/2-11/1, 12/2-12/9/2019
Ad 2	Candidate's education policy	11/15-11/22/2019
Ad 3	Photo of candidate and family reminding Montanans to vote	11/1-11/5/2019
Ad 4	Video of endorsement from Textile Workers of Montana	11/2-11/12/2019
Ad 5	Video of endorsement from Sugar Beet Farmers	11/8-11/22/2019
Ad 6	Candidate's economic experience	11/15-11/30/2019
Ad 7	Candidate's public lands policy x2	11/20-11/27, 11/29-11/30
Ad 8	Top 10 reasons to vote for candidate	11/21-12/13/2019
Ad 9	"Neighbors" with reasons to donate to candidate's campaign	11/30-12/4/2019
Ad 10	Candidate's conservation values	11/31-12/18/2019
Ad 11	Candidate's plan to create Montana jobs	12/1-12/20/2019
Ad 12	Happy holidays from candidate	12/1-12/27/2019

The campaign may also include the Facebook invoice totaling all Facebook ad buys the campaign made from 10/2-12/31/2019. The candidate must maintain records that can verify the amount spent in the case of an audit.

Q: I boosted a Facebook post on November 6th for five days. I’m going to re-boost the exact same post on November 20th for another five days. Do I need to report this again?

A: Yes. You can choose to report each boost individually (reference the Zinn example on Part 1, page 2). Or, you can “batch” report ads as a single Facebook expenditure so long as the ad did not change in any way from the first boost to the second boost.

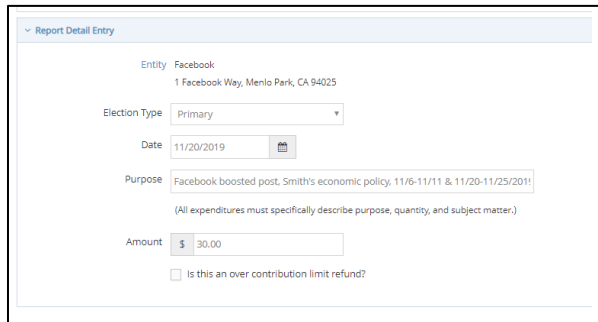
A screenshot of a web form titled "Report Detail Entry". The form contains the following fields: "Entity" with the value "Facebook" and address "1 Facebook Way, Menlo Park, CA 94025"; "Election Type" with a dropdown menu set to "Primary"; "Date" with a calendar icon and the value "11/20/2019"; "Purpose" with a text box containing "Facebook boosted post, Smith's economic policy, 11/6-11/11 & 11/20-11/25/2011" and a note "(All expenditures must specifically describe purpose, quantity, and subject matter.)"; "Amount" with a currency symbol "\$" and the value "30.00"; and a checkbox labeled "Is this an over contribution limit refund?" which is currently unchecked.

Figure 5 Example of batch reporting for a Facebook post that is boosted twice

Q: My campaign paid for an ad for the general election that ran on both Instagram and Facebook for the exact same dates. How do I report this?

A: Because Facebook owns Instagram, and you paid Facebook for the ad to run on both Facebook and Instagram, you would report this expense as a single expenditure made to the entity of Facebook.

****The “purpose” section must note that the ad ran on both platforms.****

- **Entity:** Facebook, 1 Hacker way, Menlo Park, CA 94025
- **Election Type:** General
- **Date:** The date the expense was incurred. This must be reflected by the campaign bank statements (For example, 10/31/2020).
- **Purpose:** “Instagram and Facebook ad: Top 10 Reasons to Vote Smith, ran 10/1-10/8/19”
- **Amount:** \$125 (the combined cost of both ads)

Questions?

COPP Compliance Specialists are available to discuss the reporting of social media advertisements with candidates or campaign treasurers and are happy to provide additional guidance where possible. Feel free to contact the office via telephone at (406) 444-2942 or via email at cppcompliance@mt.gov with any questions.